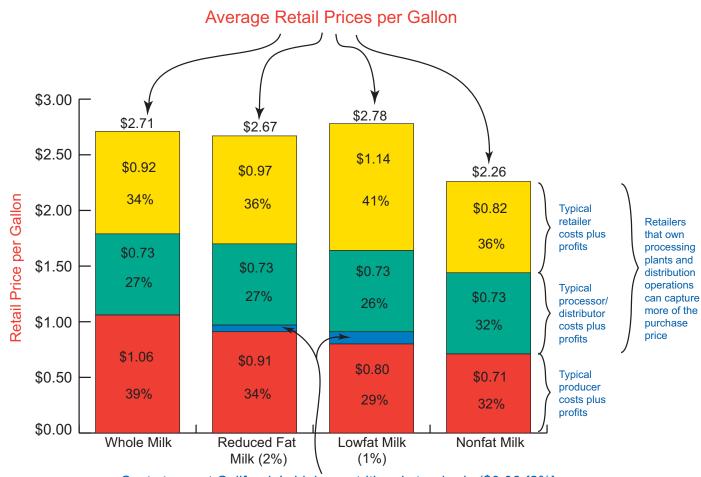




A publication serving the dairy industry for over 63 years

Where Do Consumer's Milk Dollars Go? Sacramento, May 2006

Under both California and federal milk marketing orders, minimum farmgate prices are regulated, but retail prices are not. Consumers often assume that most of their milk dollar goes to dairy farmers. The chart below shows that farmers receive about a third of the retail price of milk.



Costs to meet California's higher nutritional standards (\$0.06 {2%} for reduced fat milk; \$0.11 {4%} for lowfat milk)

Retail price data for Sacramento for May 2006 obtained from A.C. Nielson Company



DAIRY INFORMATION BULLETIN

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